

Figure 1. General Methodology of Preferred Embodiment of the Present Invention

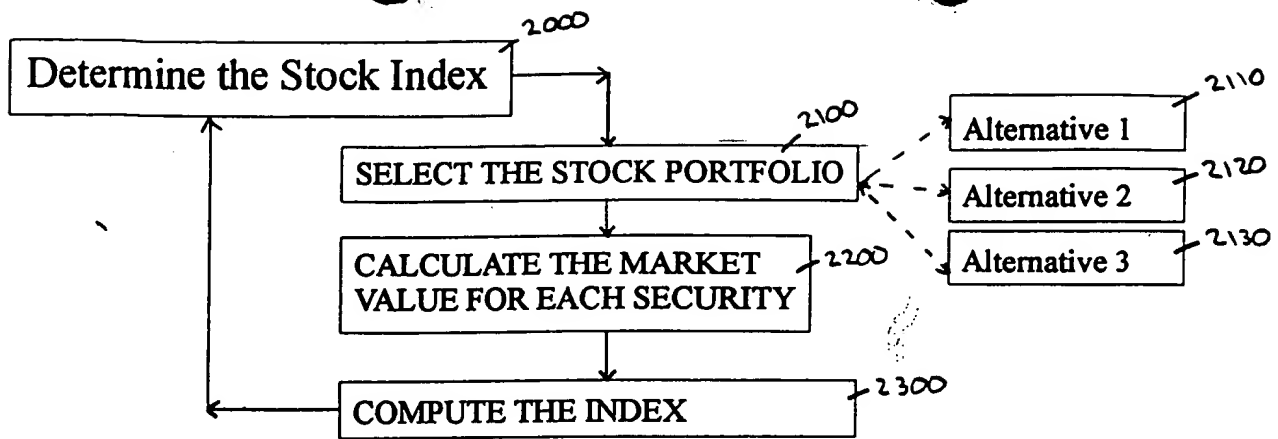


Figure 2. Steps Used to Determine the Stock Index for Use in Preferred Embodiment of the Present Invention

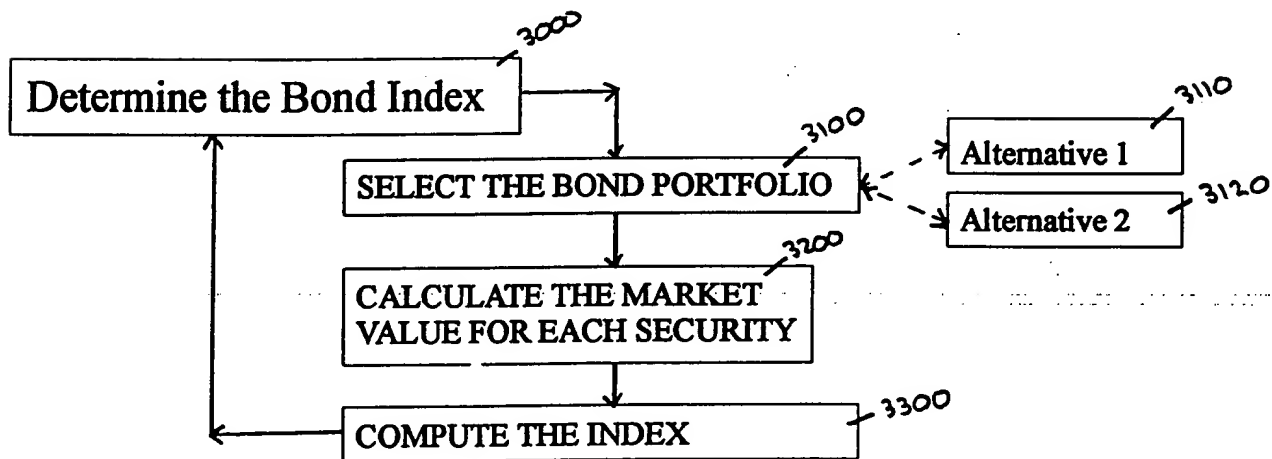


Figure 3. Steps Used to Determine the Bond Index for Use in Preferred Embodiment of the Present Invention

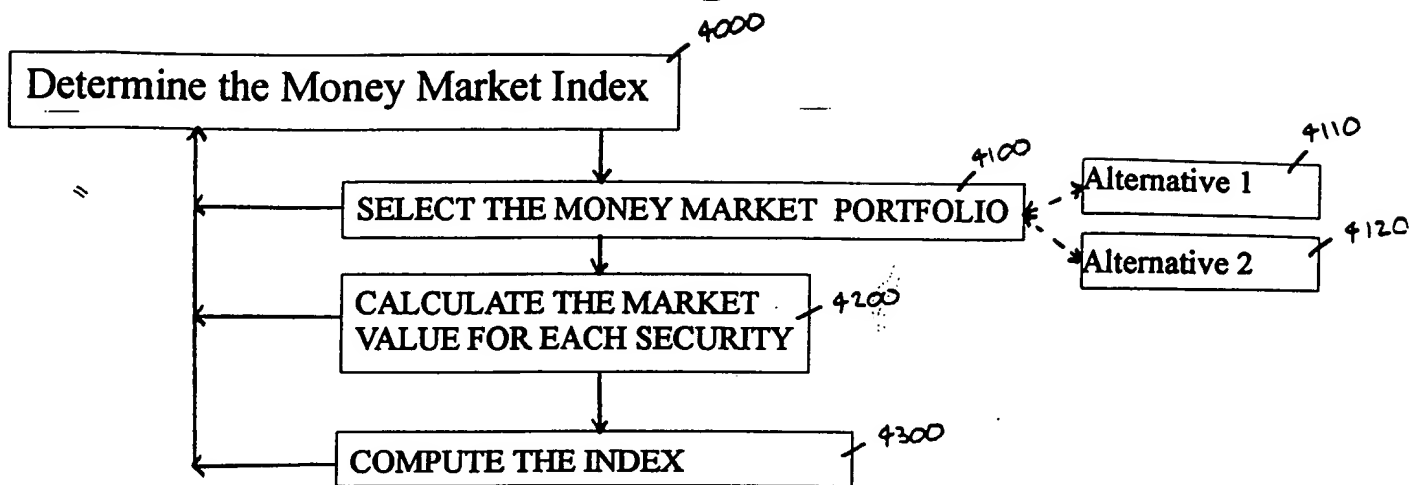


Figure 4. Steps Used in Determining the Money Market Index for Use in α Preferred Embodiment of the Present Invention

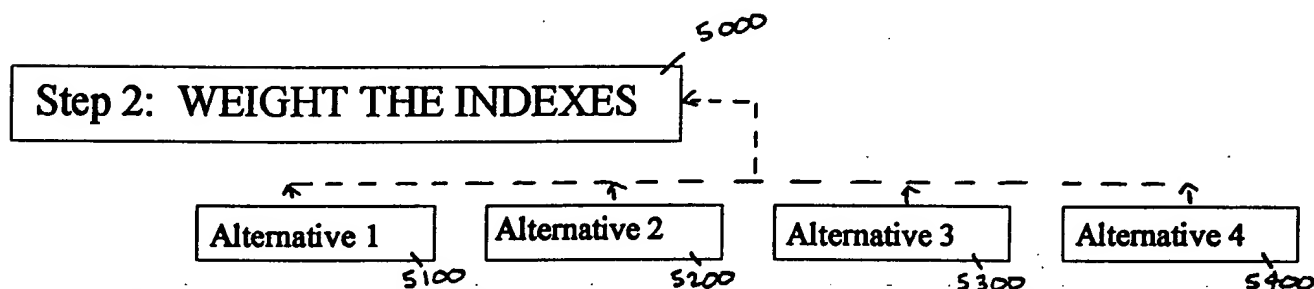


Figure 5. Step 4 of the Method of α Preferred Embodiment of the Present Invention is the Weighting of the Indexes

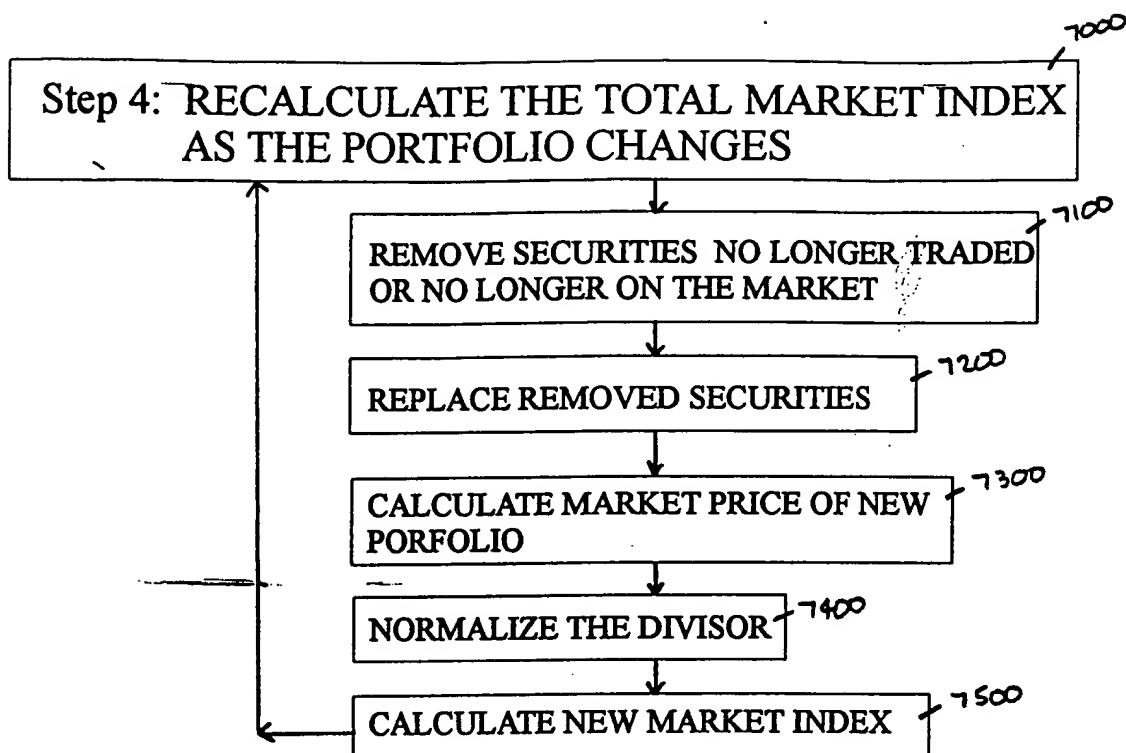
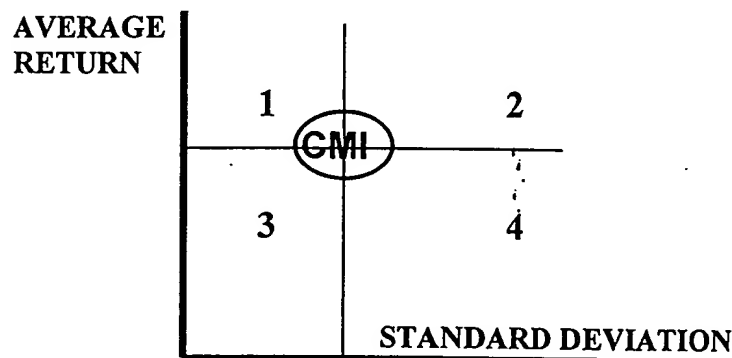


Figure 6. The Indexes Are Recalculated as the Portfolios Change



All portfolios can be benchmarked against the CMI (Capital Market Index) by calculating the returns of the portfolio and the standard deviation of the returns and comparing these statistics against the returns and standard deviation of the Capital Market Index. The comparison will show that a given portfolio will have either: A) greater return & less risk -- panel 1; B) greater return & greater risk -- panel 2; C) less risk & less return -- panel 3; or D) less return & greater risk -- panel 4 than the Capital Market Index. Portfolios can be compared by measuring the differences between each and the Capital Market Index.

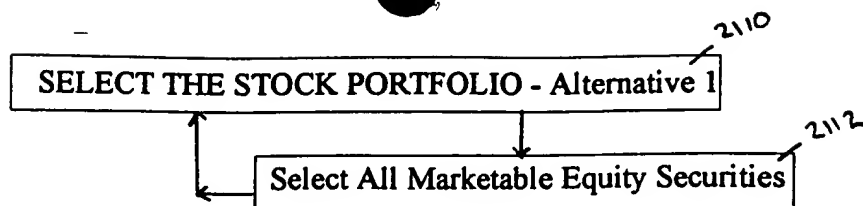


Figure 7. Alternatives One for Selecting the Stock Portfolio for Use in Determining the Stock Index by the Method illustrated in Figure 2.

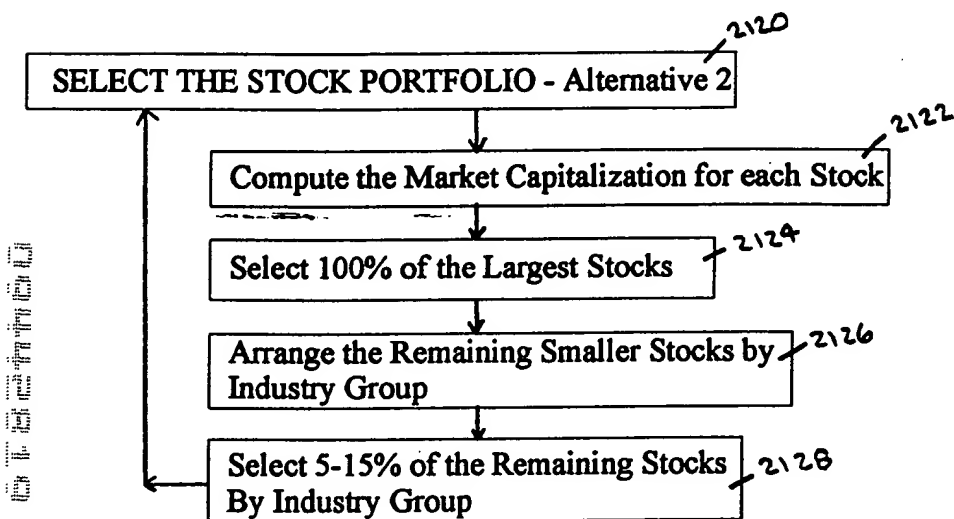


Figure 8. Alternative Two for Selecting the Stock Portfolio for Use in Determining the Stock Index by the Method illustrated in Figure 2.

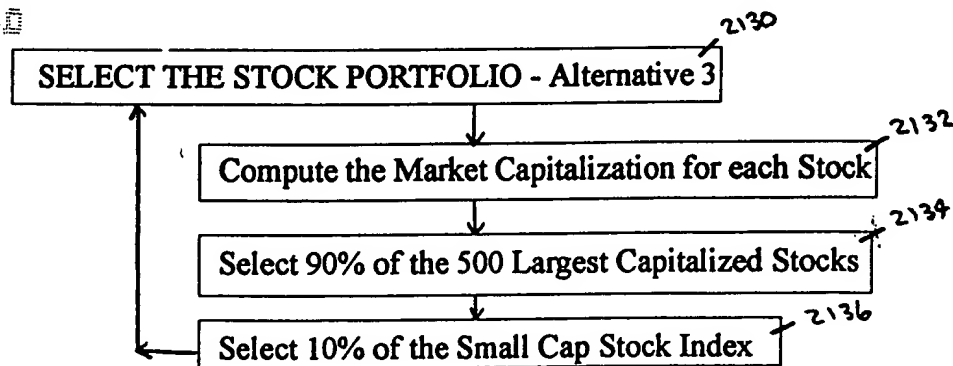


Figure 9. Alternative Three for Selecting the Stock Portfolio for Use in Determining the Stock Index by the Method illustrated in Figure 2.

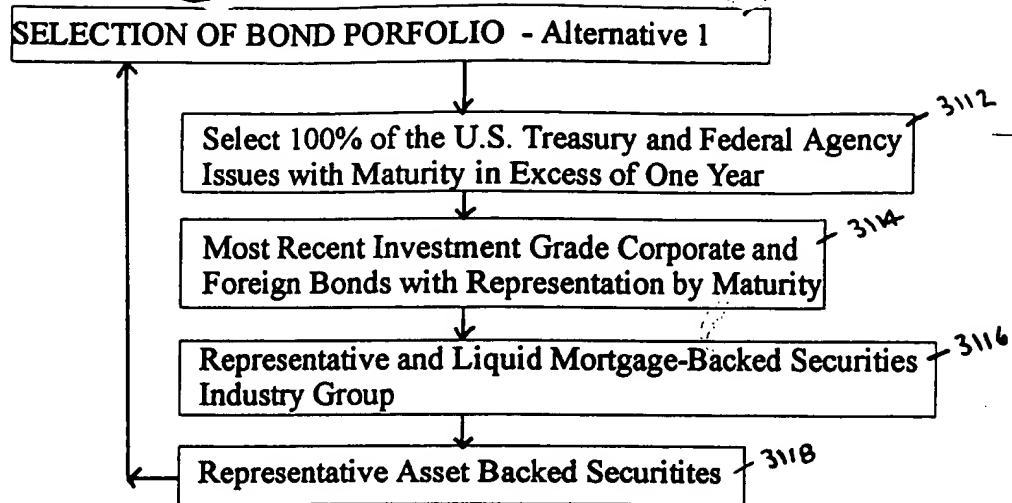


Figure 10. Alternative One for Selection of Bond Portfolio

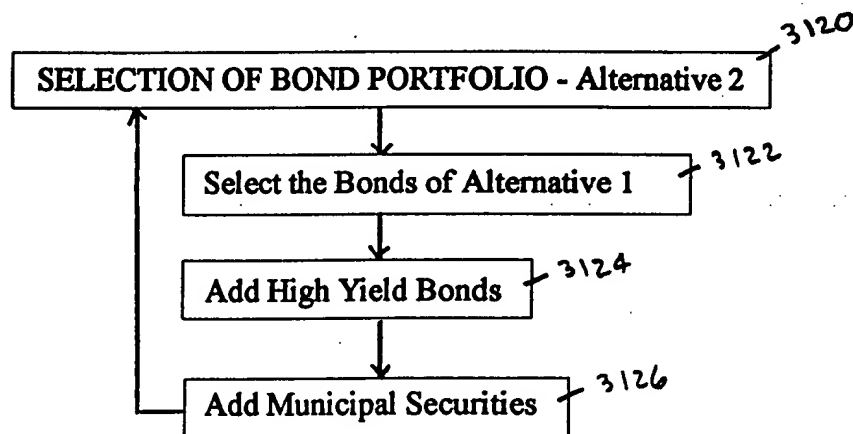


Figure 11. Alternative Two for Selection of Bond Portfolio

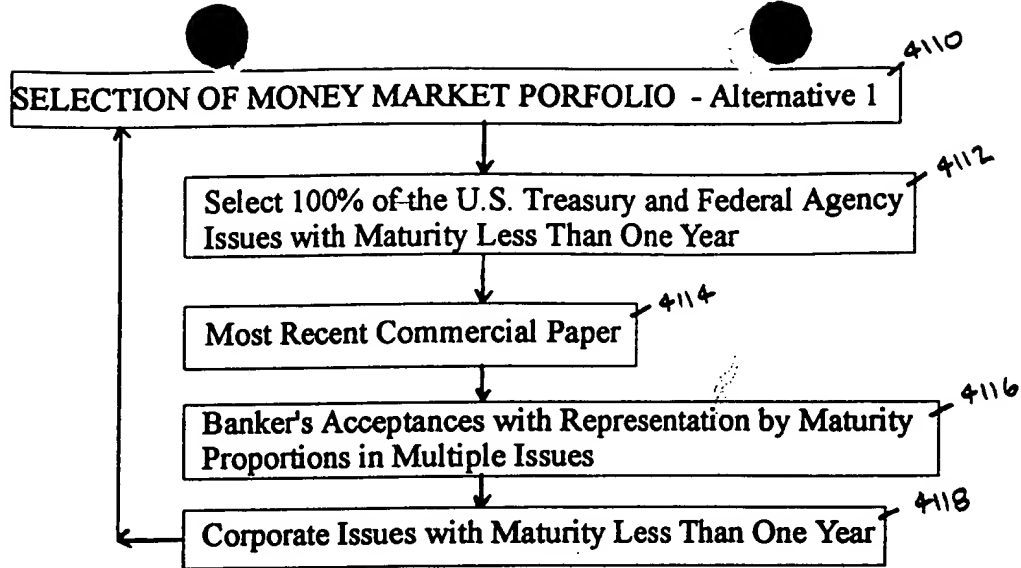


Figure 12. Alternative One for Selection of Money Market Portfolio

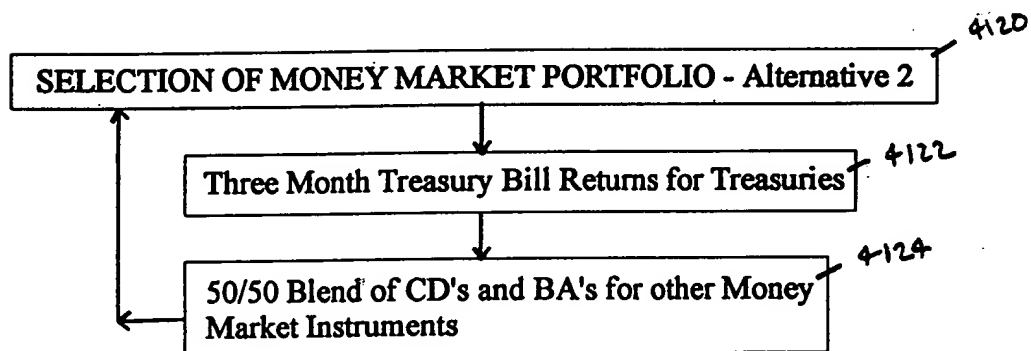


Figure 13. Alternative Two for Selection of Money Market Portfolio

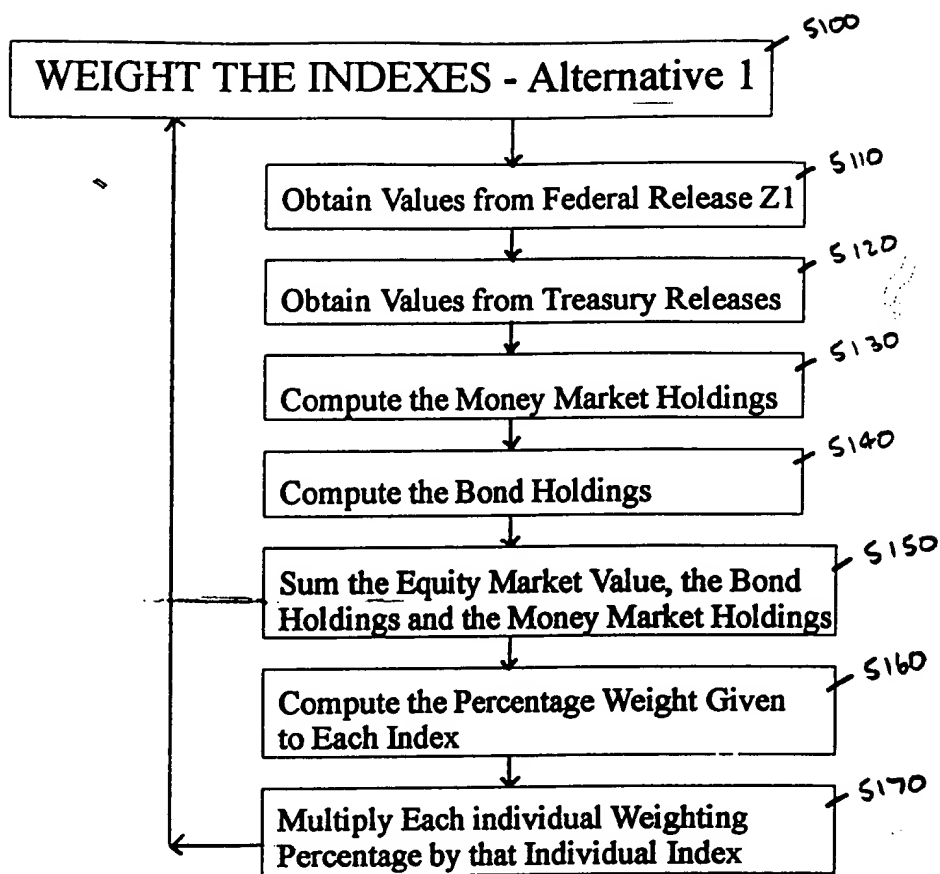


Figure 14. Alternative 1 used in Preferred Embodiment of the Present Invention for Weighting the Indexes

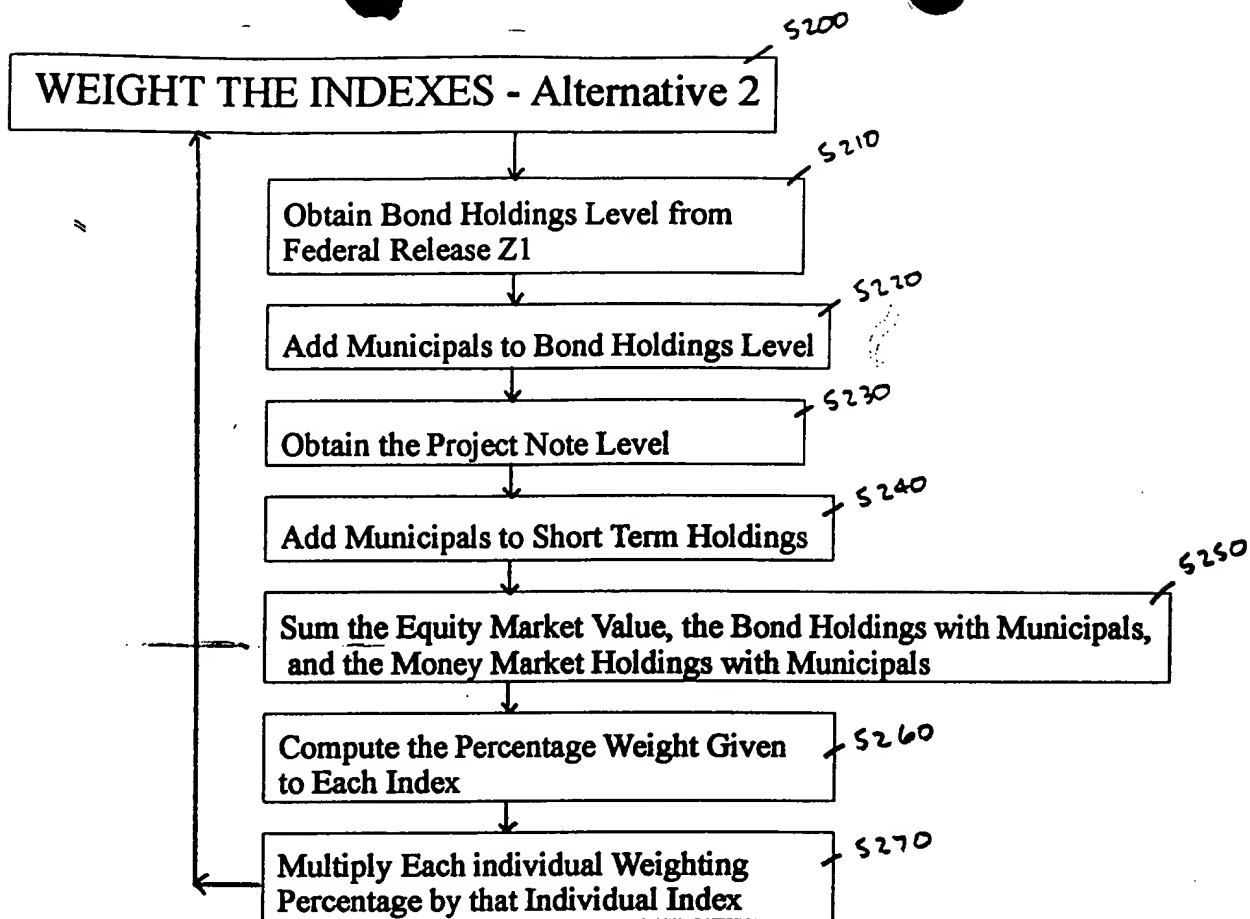


Figure 15. Alternative 2 used in Preferred Embodiment of the Present Invention for Weighting the Indexes

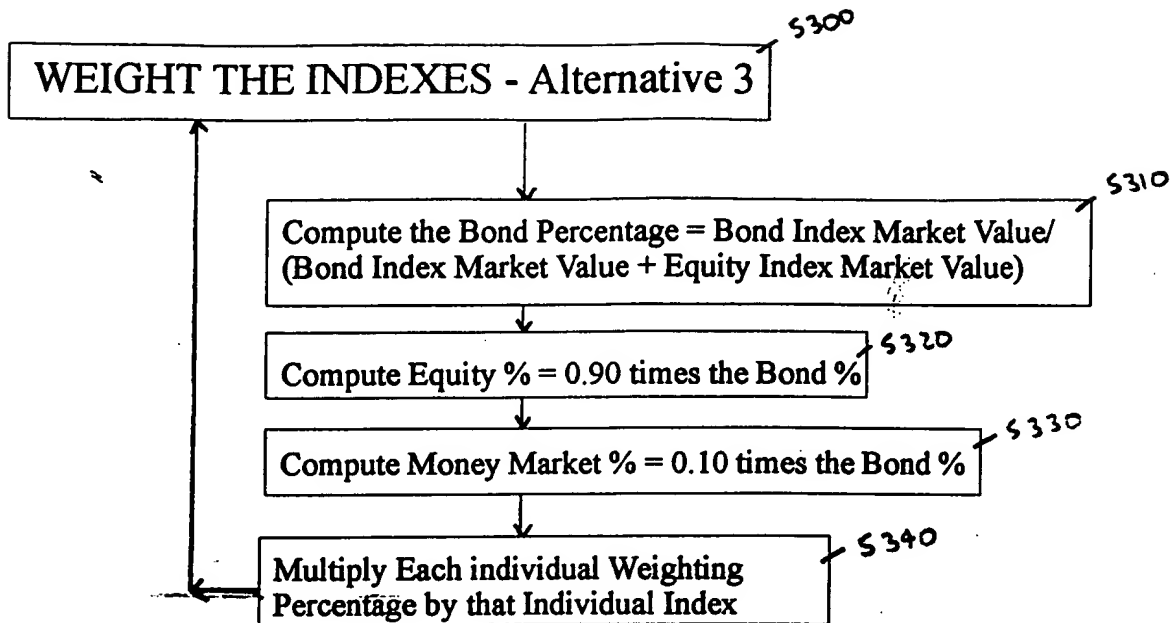


Figure 16. Alternative 3 used in Preferred Embodiment of the Present Invention for Weighting the Indexes

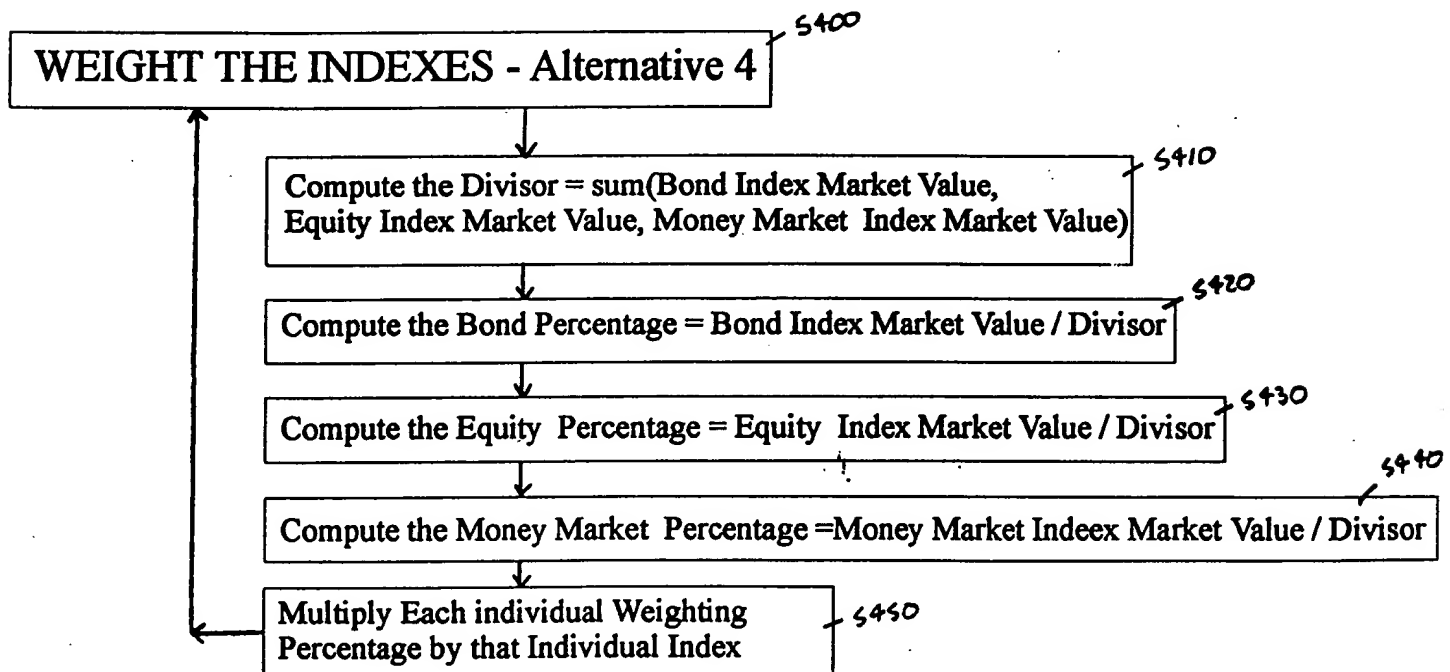


Figure 17. Alternative 4 used in Preferred Embodiment of the Present Invention for Weighting the Indexes

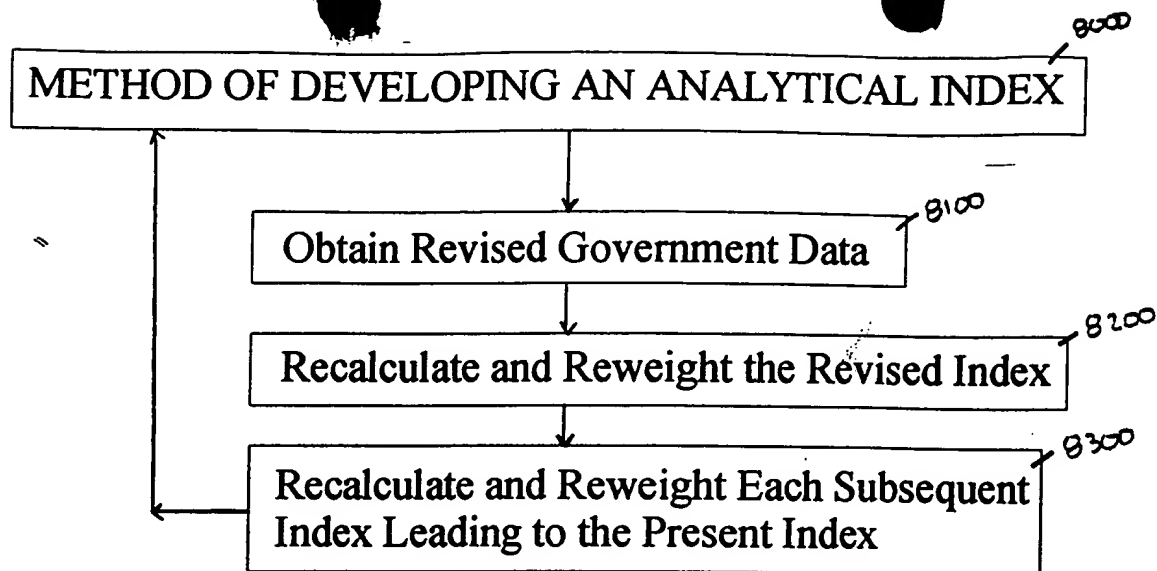


Figure18. Steps Used in Developing an Analytical Index

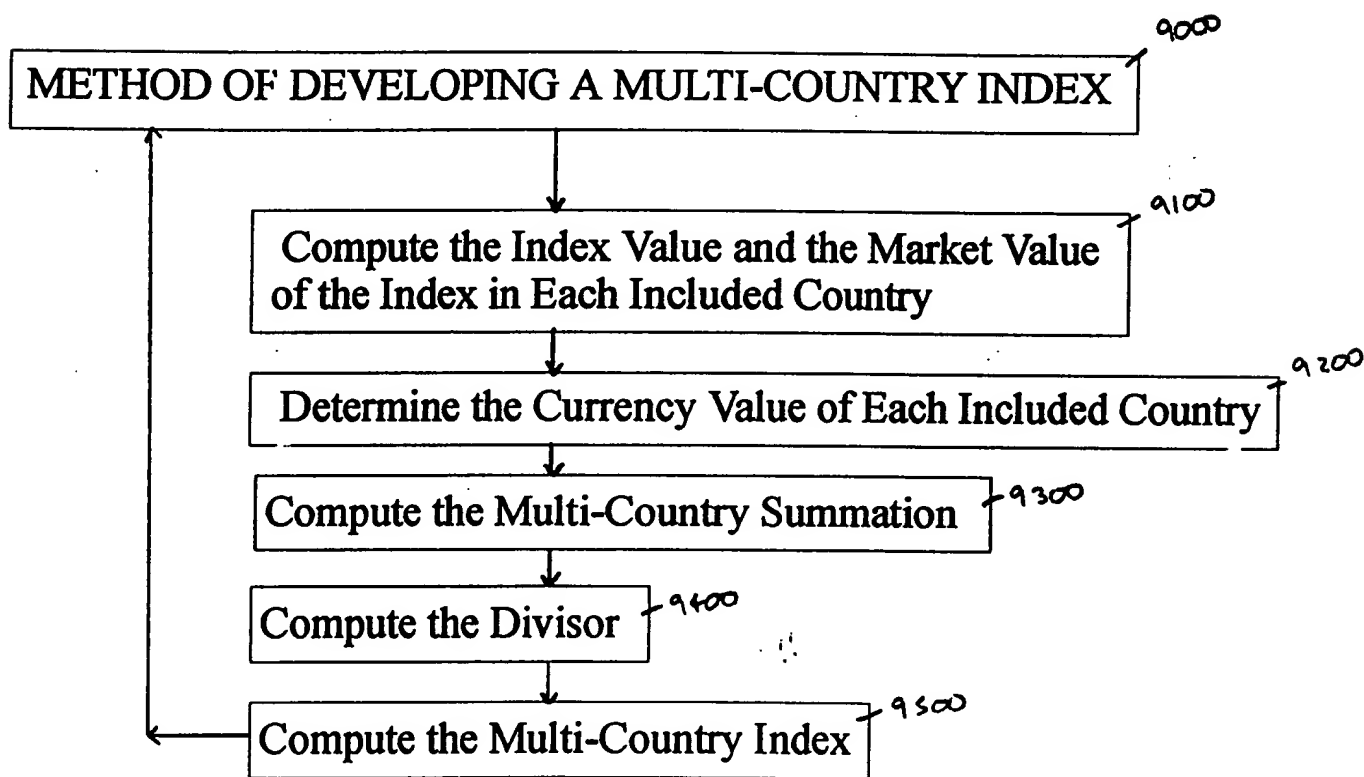


Figure19. Steps Used in Developing a Multi-country Index